

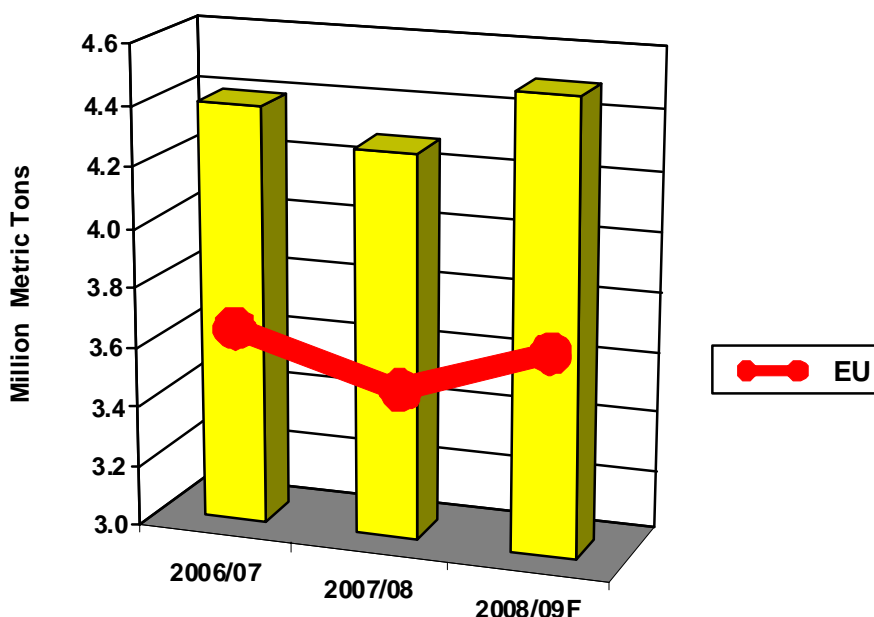
Fresh Deciduous Fruit (Apples, Pears, & Grapes) & Apple Juice Concentrate: World Markets and Trade

January 2009

SUMMARY

Global apple production is forecast up 8 percent, while trade is forecast 5 percent higher on strong demand from the European Union (EU). Global apple juice concentrate (AJC) exports are expected to tumble 25 percent as China plans to slash its production in half. World pear exports are expected to ease 4 percent on weakening demand and tighter supplies. Global grape trade is expected to remain steady despite economic uncertainties. This means there will be plenty of opportunities for expanding U.S. fresh apple and grape exports, principally in Canada and other traditional markets, but competition in all markets will remain strong.

EU Accounts for Most of Increase in Global Fresh Apple Exports



GLOBAL FRESH APPLE TRADE FORECAST TO SURGE

World apple production is forecast to grow 8 percent from last year due to favorable weather and improved management practices, while trade is forecast to rise 5 percent due to strong demand from the EU.

- U.S. exports are forecast to rise 4 percent due largely to robust demand in Canada, the top export market for the United States, and ample production.

- China, which accounts for over 50 percent of world apple production, is expected to produce 15 percent more apples. However, exports will likely slide 2 percent due to anticipated weaker demand in the EU and a few other traditional markets. China accounts for about 25 percent of global apple exports.
- Russia, the world's largest apple importer, is forecast to import 4 percent more than last year. Despite a weakening currency and economic problems, demand for foreign apples has been strong for the first few months in 2008/09. U.S. apples, which mostly compete with EU apples in Russia, will be less competitive because of higher transportation costs.
- EU production is forecast to expand sharply from the previous year, as production in Poland and Hungary returns to more normal levels due to favorable weather. As a result of strong demand in Russia, Ukraine, and other traditional markets, as well as higher domestic exportable supplies, EU exports are expected to surge 24 percent.

APPLE JUICE OUTPUT AND EXPORTS EXPECTED TO FALL PRECIPITOUSLY

Global apple juice concentrate (AJC) exports are expected to tumble 25 percent as China plans to slash its production by 50 percent.

- U.S. AJC production is forecast down 25 percent, as a result of significantly lower supplies of apples available for juice. The United States is the world's largest AJC importer, with imports forecast to creep upward 3 percent due to steady demand and reduced domestic supplies.
- China, which accounts for more than half of the world's apple juice supplies and almost 80 percent of global exports, is expected to cut its output in half since reportedly it has an abundant 300,000 tons of stocks left over from last year. China plans to export 30 percent less than the previous year.

FRESH PEAR EXPORTS FORECAST TO SHRINK

World pear exports are expected to ease 4 percent due to tighter supplies and weakening demand, more alternative fruit choices, and increased competition.

- U.S. pear exports are forecast to drop 10 percent as a result of lower production and falling global demand.
- Russia, the largest pear importer, is expected to import almost 10 percent less due to lower demand resulting from the economic crisis.
- EU exports are forecast to plummet 36 percent due to significantly reduced production and expected lower demand by Russia and other traditional buyers. In contrast, EU imports are forecast to jump 11 percent as a result of robust demand and reduced domestic production.
- China's exports is forecast to rise 6 percent, offsetting some of the drop in global exports, due to higher production and stable demand in its traditional markets as well as markets where domestic production is likely to be short, such as the EU and the United States.

GRAPE EXPORTS FORECAST TO BE STEADY

World fresh-market grape trade is expected to remain steady. Global supplies of fresh-market grapes are expected to be plentiful, with world production forecast up 5 percent from last year.

- U.S. exports are forecast to rise 10 percent due mainly to higher production and robust Canadian demand. Despite the larger domestic crop, U.S. imports are forecast to rise more than 10 percent because of strong off-season demand for grapes.
- Chile, the largest grape exporter, is expected to ship slightly more than the previous year's quantity in order to meet the demand by Northern Hemisphere markets in their off-seasons.
- The EU accounts for about one-third of world grape imports. Due to a 20-percent larger crop, demand for imported grapes is expected to drop 10 percent.

For more information, please contact Shari Kosco at 202-720-2083 or shari.kosco@usda.gov. For additional production, supply, and demand information, you may visit our website at <http://www.fas.usda.gov/psdonline/psdHome.aspx>.

NOTE: New countries have been added to the Production, Supply and Distribution (PSD) database to account for a better representation of global trade. These additional countries have data from 2006/07 to 2008/09. U.S. data for 2002/2003 to 2008/09 has been revised to reflect Aug-July marketing year for apples and May-April for grapes. As a result, any comparison between this and previous reports should take this modification into account.

Apples: Production, Supply, and Distribution in Selected Countries
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
Selected Apple Countries					
Algeria					
2006/07	0	79	0	79	0
2007/08	0	99	0	99	0
2008/09	0	101	0	101	0
Argentina					
2006/07	1,100	0	283	187	630
2007/08	940	0	253	257	430
2008/09	970	0	250	250	470
Australia					
2006/07	270	0	5	223	43
2007/08	290	0	4	245	42
2008/09	290	0	5	245	41
Bangladesh					
2006/07	0	66	0	66	0
2007/08	0	47	0	47	0
2008/09	0	50	0	50	0
Belarus					
2006/07	0	51	0	51	0
2007/08	0	27	0	27	0
2008/09	0	27	0	27	0
Brazil					
2006/07	1,094	69	112	1,050	0
2007/08	946	60	112	894	0
2008/09	1,094	70	112	1,052	0
Canada					
2006/07	403	178	37	459	85
2007/08	406	167	50	422	100
2008/09	360	180	45	405	90
Chile					
2006/07	1,250	0	775	145	330
2007/08	1,350	0	775	165	410
2008/09	1,390	0	800	170	420
China, Peoples Republic of					
2006/07	26,059	34	971	18,330	6,793
2007/08	24,800	40	1,021	16,058	7,760
2008/09	28,500	42	1,000	23,042	4,500
Colombia					
2006/07	9	68	0	77	0
2007/08	9	70	0	79	0
2008/09	9	70	0	79	0
Costa Rica					
2006/07	0	14	0	14	0
2007/08	0	16	0	16	0
2008/09	0	15	0	15	0
Croatia					
2006/07	0	15	0	15	0
2007/08	0	15	0	15	0
2008/09	0	15	0	15	0
Ecuador					
2006/07	0	43	0	43	0
2007/08	0	41	0	41	0
2008/09	0	41	0	41	0
EU-27					
2006/07	11,134	889	960	7,690	3,369

Apples: Production, Supply, and Distribution in Selected Countries (Continued)
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
2007/08	9,724	871	749	7,133	2,711
2008/09	11,239	860	930	7,826	3,343
Guatemala					
2006/07	0	13	0	13	0
2007/08	0	12	0	12	0
2008/09	0	12	0	12	0
Honduras					
2006/07	0	11	0	11	0
2007/08	0	11	0	11	0
2008/09	0	11	0	11	0
Hong Kong					
2006/07	0	80	0	80	0
2007/08	0	99	0	99	0
2008/09	0	99	0	99	0
India					
2006/07	1,756	65	0	1,820	0
2007/08	2,001	75	0	2,076	0
2008/09	1,930	58	0	1,988	0
Indonesia					
2006/07	0	130	0	130	0
2007/08	0	143	0	143	0
2008/09	0	130	0	130	0
Japan					
2006/07	860	0	23	702	135
2007/08	860	0	25	835	0
2008/09	860	0	25	835	0
Kazakhstan, Republic of					
2006/07	0	67	0	67	0
2007/08	0	81	0	81	0
2008/09	0	90	0	90	0
Kyrgyzstan, Republic of					
2006/07	0	53	0	53	0
2007/08	0	47	0	47	0
2008/09	0	41	0	41	0
Libya					
2006/07	0	23	0	23	0
2007/08	0	25	0	25	0
2008/09	0	24	0	24	0
Malaysia					
2006/07	0	89	0	89	0
2007/08	0	90	0	90	0
2008/09	0	80	0	80	0
Mexico					
2006/07	505	199	0	603	100
2007/08	530	202	0	607	125
2008/09	540	192	0	610	122
New Zealand					
2006/07	453	1	279	69	106
2007/08	441	2	272	45	125
2008/09	470	1	300	46	125
Norway					
2006/07	0	50	0	50	0
2007/08	0	56	0	56	0
2008/09	0	53	0	53	0
Peru					
2006/07	0	26	0	26	0

Apples: Production, Supply, and Distribution in Selected Countries (Continued)
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
2007/08	0	27	0	27	0
2008/09	0	27	0	27	0
Philippines					
2006/07	0	79	0	79	0
2007/08	0	71	0	71	0
2008/09	0	78	0	78	0
Russian Federation					
2006/07	1,250	908	3	1,026	1,129
2007/08	1,800	940	4	1,361	1,365
2008/09	1,800	980	3	1,472	1,300
Saudi Arabia					
2006/07	0	127	0	127	0
2007/08	0	129	0	129	0
2008/09	0	131	0	131	0
Serbia					
2006/07	0	14	0	14	0
2007/08	0	22	0	22	0
2008/09	0	18	0	18	0
Singapore					
2006/07	0	46	0	46	0
2007/08	0	45	0	45	0
2008/09	0	47	0	47	0
South Africa, Republic of					
2006/07	712	0	299	223	190
2007/08	720	0	300	230	190
2008/09	725	0	310	225	190
Sri Lanka					
2006/07	0	19	0	19	0
2007/08	0	17	0	17	0
2008/09	0	18	0	18	0
Taiwan					
2006/07	6	121	0	127	0
2007/08	6	134	0	140	0
2008/09	6	134	0	140	0
Thailand					
2006/07	0	98	0	98	0
2007/08	0	87	0	87	0
2008/09	0	103	0	103	0
Turkey					
2006/07	2,002	6	9	1,898	100
2007/08	2,458	3	16	2,345	100
2008/09	1,300	6	16	1,190	100
Ukraine					
2006/07	537	177	4	710	0
2007/08	707	111	27	791	0
2008/09	650	155	7	798	0
United Arab Emirates					
2006/07	0	97	0	97	0
2007/08	0	119	0	119	0
2008/09	0	124	0	124	0
United States					
2006/07	4,433	194	638	2,427	1,562
2007/08	4,113	173	674	2,261	1,351
2008/09	4,102	178	700	2,245	1,335
Venezuela					
2006/07	0	45	0	45	0

Apples: Production, Supply, and Distribution in Selected Countries (Continued)
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
2007/08	0	45	0	45	0
2008/09	0	45	0	45	0
Vietnam					
2006/07	0	65	0	65	0
2007/08	0	68	0	68	0
2008/09	0	100	0	100	0
Total Selected Apple Countries					
2006/07	53,832	4,306	4,398	39,165	14,571
2007/08	52,101	4,287	4,282	37,384	14,709
2008/09	56,234	4,407	4,503	44,097	12,035

1/23/2009 12:02:36 PM

Note: From 1994, the United States is on a Aug-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

Apple Juice, Concentrated: Production, Supply, and Distribution in Selected Countries
1,000 Metric Tons

Country Mktg Year	Beginning Stocks	Production	Imports	Exports	Domestic Consumption	Ending Stocks
Selected Apple Juice Countries						
Argentina						
2006/07	11	62	0	66	4	4
2007/08	4	60	0	45	18	1
2008/09	1	50	0	40	11	0
Brazil						
2006/07	0	35	0	35	0	0
2007/08	0	35	0	35	0	0
2008/09	0	35	0	35	0	0
Chile						
2006/07	0	41	0	41	0	1
2007/08	1	37	0	37	0	1
2008/09	1	50	0	50	0	1
China, Peoples Republic of						
2006/07	1	970	0	893	50	29
2007/08	29	1,213	2	894	50	300
2008/09	300	600	1	600	160	141
EU-27						
2006/07	16	493	359	38	810	21
2007/08	21	380	409	43	737	30
2008/09	30	474	339	44	790	9
New Zealand						
2006/07	0	16	11	12	15	0
2007/08	0	19	14	15	16	2
2008/09	2	21	12	16	17	2
Russian Federation						
2006/07	0	0	153	0	153	0
2007/08	0	0	139	0	139	0
2008/09	0	0	113	0	113	0
South Africa, Republic of						
2006/07	0	32	25	17	40	0
2007/08	0	32	25	19	38	0
2008/09	0	32	25	20	37	0
Switzerland						
2006/07	0	39	3	42	0	0
2007/08	0	47	5	52	0	0
2008/09	0	44	5	49	0	0
United States						
2006/07	0	96	347	3	440	0
2007/08	0	80	394	3	471	0
2008/09	0	60	405	2	463	0
Total Selected Apple Juice Countries						
2006/07	29	1,785	899	1,148	1,512	54
2007/08	54	1,904	987	1,143	1,469	333
2008/09	333	1,367	900	856	1,591	153

Note: From 2002, the United States is on a Aug-July marketing year. All other Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

1/23/2009 12:02:38 PM

Pears: Production, Supply, and Distribution in Selected Countries
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
Selected Pear Countries					
Argentina					
2006/07	730	0	450	110	170
2007/08	710	0	480	80	150
2008/09	720	0	490	80	150
Australia					
2006/07	145	4	3	97	48
2007/08	150	4	6	100	48
2008/09	135	2	5	84	48
Brazil					
2006/07	18	137	0	155	0
2007/08	18	142	0	160	0
2008/09	18	120	0	138	0
Canada					
2006/07	14	77	0	84	7
2007/08	12	77	0	85	4
2008/09	9	75	0	83	1
Chile					
2006/07	252	0	119	74	59
2007/08	272	0	132	76	64
2008/09	280	0	136	78	66
China, Peoples Republic of					
2006/07	11,986	0	398	10,772	816
2007/08	12,895	0	423	11,522	950
2008/09	13,000	0	450	11,520	1,030
EU-27					
2006/07	2,725	342	286	2,544	230
2007/08	2,551	323	275	2,399	196
2008/09	2,233	360	175	2,240	179
Hong Kong					
2006/07	0	35	0	35	0
2007/08	0	30	0	29	0
2008/09	0	28	0	28	0
Indonesia					
2006/07	0	90	0	90	0
2007/08	0	91	0	91	0
2008/09	0	91	0	91	0
Japan					
2006/07	375	0	1	373	0
2007/08	375	0	2	372	0
2008/09	375	0	3	371	0
Malaysia					
2006/07	0	40	0	40	0
2007/08	0	42	0	42	0
2008/09	0	42	0	42	0
Mexico					
2006/07	30	85	0	113	2
2007/08	31	89	0	118	2
2008/09	28	85	0	111	2
New Zealand					
2006/07	16	3	6	10	3
2007/08	14	3	5	10	2
2008/09	16	3	6	10	3
Norway					
2006/07	0	19	0	19	0

Pears: Production, Supply, and Distribution in Selected Countries (Continued)
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption	For Processing
2007/08	0	26	0	26	0
2008/09	0	26	0	26	0
Philippines					
2006/07	0	17	0	17	0
2007/08	0	16	0	16	0
2008/09	0	15	0	15	0
Russian Federation					
2006/07	130	376	1	412	93
2007/08	170	397	2	451	110
2008/09	175	360	1	426	105
Saudi Arabia					
2006/07	0	12	0	12	0
2007/08	0	12	0	12	0
2008/09	0	11	0	11	0
Singapore					
2006/07	0	25	1	24	0
2007/08	0	25	0	24	0
2008/09	0	24	0	24	0
South Africa, Republic of					
2006/07	348	0	162	58	127
2007/08	358	0	165	60	133
2008/09	360	0	169	63	128
Thailand					
2006/07	0	42	0	42	0
2007/08	0	41	0	41	0
2008/09	0	40	0	40	0
Turkey					
2006/07	318	0	6	302	10
2007/08	356	0	5	341	10
2008/09	360	0	6	345	10
United Arab Emirates					
2006/07	0	12	0	12	0
2007/08	0	14	0	14	0
2008/09	0	14	0	14	0
United States					
2006/07	754	107	127	435	300
2007/08	791	86	162	425	290
2008/09	745	98	145	425	273
Venezuela					
2006/07	0	16	0	16	0
2007/08	0	17	0	17	0
2008/09	0	17	0	17	0
Vietnam					
2006/07	0	30	0	30	0
2007/08	0	64	0	64	0
2008/09	0	70	0	70	0
Total Selected Pear Countries					
2006/07	17,840	1,471	1,561	15,877	1,864
2007/08	18,703	1,496	1,657	16,574	1,960
2008/09	18,454	1,482	1,586	16,353	1,994

Note: Northern Hemisphere countries are on a July-June marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.

1/23/2009 12:02:37 PM

Grapes (Fresh): Production, Supply, and Distribution in Selected Countries
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption
Selected Grape Countries				
Argentina				
2006/07	140	1	59	47
2007/08	150	1	70	50
2008/09	155	1	70	55
Australia				
2006/07	79	12	40	51
2007/08	64	16	41	40
2008/09	61	20	40	41
Brazil				
2006/07	1,342	16	79	1,278
2007/08	1,290	12	65	1,237
2008/09	1,300	16	70	1,246
Canada				
2006/07	0	174	0	174
2007/08	0	192	0	192
2008/09	0	200	0	200
Chile				
2006/07	1,163	0	776	125
2007/08	1,185	0	800	126
2008/09	1,205	0	810	126
China, Peoples Republic of				
2006/07	6,271	44	36	4,354
2007/08	6,697	46	54	4,639
2008/09	7,000	55	72	4,936
EU-27				
2006/07	2,254	618	137	2,584
2007/08	1,974	616	136	2,303
2008/09	2,350	550	105	2,645
Hong Kong				
2006/07	0	76	46	30
2007/08	0	80	50	31
2008/09	0	90	50	40
India				
2006/07	1,668	2	73	1,597
2007/08	1,700	3	118	1,584
2008/09	1,710	3	119	1,594
Japan				
2006/07	215	8	0	198
2007/08	215	7	0	222
2008/09	215	7	0	222
Mexico				
2006/07	149	77	112	113
2007/08	220	80	175	125
2008/09	256	75	172	159
Russian Federation				
2006/07	0	336	0	336
2007/08	0	408	0	408
2008/09	0	370	0	370
South Africa, Republic of				
2006/07	264	0	237	27
2007/08	270	0	240	30
2008/09	272	0	241	31
Turkey				
2006/07	2,060	0	151	1,909

Grapes (Fresh): Production, Supply, and Distribution in Selected Countries (Continued)
1,000 Metric Tons

Country Mktg Year	Production	Imports	Exports, Fresh	Fresh Dom. Consumption
2007/08	1,913	0	173	1,740
2008/09	1,945	0	190	1,755
Ukraine				
2006/07	301	58	0	359
2007/08	415	66	0	481
2008/09	415	66	0	481
United States				
2006/07	724	586	274	1,035
2007/08	835	569	301	1,103
2008/09	857	650	330	1,177
Total Selected Grape Countries				
2006/07	16,628	2,007	2,022	14,216
2007/08	16,927	2,097	2,224	14,310
2008/09	17,741	2,103	2,269	15,078

1/23/2009 12:02:37 PM

Note: From 1994, the United States is on a May-April marketing year. All other Northern Hemisphere countries are on a June-May marketing year. Southern Hemisphere countries are on a calendar year indicated as the second year of the split year.